

DAC Beachcroft Services Ltd (the Company): Corporate governance and s172 statement for the year ended 30 April 2025

Corporate Governance statement

The Company is a wholly-owned service company in the DAC Beachcroft LLP Group (the Group) and is therefore subject to and abides by all Group policies and procedures and works within the Group governance framework. A description of the Group's governance against the Wates Principles can be found on the [Group website](#). The Group governance framework delegates authority within the Group for decision making up to defined levels. Any decisions relating to matters above the defined levels are escalated to the LLP Group Executive (Group Executive) and LLP Group Board (Group Board).

The individuals in the following Group roles serve on the Company board:

Managing Partner

Chief Financial Officer

General Counsel

Chief Operations Officer

thereby each offering specific operational, regulatory and strategic perspectives, supporting their individual and collective consideration of their obligations to the Company.

Section 172 statement

The principal activity of the Company has been the provision of administrative services to the other Group entities.

As the Directors of the Company are also members of the Group Board and/or Group Executive, these responsibilities provide them with an in depth understanding and insight into Group strategy and needs, including stakeholder requirements, enabling them to take into account the Group's needs when taking decisions and determining how the Company aligns with, and feeds into, the development of the wider Group strategy.

The role of the Company and its Board is partly to administer and implement decisions made at Group level. Notwithstanding this, the Directors are aware of their statutory duties. In their decision making as members of the Board they have regard to the best interests of the Company and in so doing have regard to the stakeholder factors set out in the Companies Act 2006. The paperwork and governance structure which supports the functioning of the Board have also been developed to promote individual and collective consideration of these factors when they are relevant and material.

The Directors gave careful consideration to stakeholder interests in the year, for example:

- They considered the longer term sustainability of the Company and Group when recommending the declaration of dividends to its parent company and when approving the Group's funding arrangements on behalf of the Company
- In relation to the Company's position as sponsoring entity for a defined benefit pension plan, they considered the importance of reducing exposure to future liabilities for the Company and the Group as well as the interests of the plan members in supporting a buy-in with an insurance company.

Stakeholder engagement

As described in the Group governance statement on the Group's website, stakeholder engagement is managed primarily at Group level, and as the Directors of the Company are members of the Group Board and/or Executive, they contribute directly to that engagement or its oversight. Specific to the Company Board is its engagement with its internal customers, the other Group entities.

The Group and the Company foster effective relationships with key stakeholders in the following ways:

Client engagement

The Company's client is the Group. The Group's needs and requirements in respect of the nature and extent of the Company's services are dynamic and the Directors ensure that they remain aware of those demands. As members of the Group Board and/or the Group Executive, they are close to and understand the wider Group strategy. Since the appointment of a new Chief Operations Officer (COO) in March 2025, an internal listening exercise has been undertaken by the COO with a view to ensuring that the services provided to the Group are optimally configured and provided.

Supplier engagement

The Company is integral to the Group relationship with suppliers and fostering strong relationships with supply chain partners is of great importance. Executive-level engagement is part of the supplier relationship framework, with Group Board oversight on matters of strategic importance.

The engagement of new suppliers follows an internal procurement process that seeks assurance on a wide range of matters to ensure protection of the Company, other stakeholder interests and long-term sustainability. There is a dedicated procurement team and has been continued investment in technology to help manage supplier relationships, contract compliance and early identification of risks (including sanctions, financial and cyber security). A robust procurement process is followed at on-boarding and throughout the duration of the supplier relationship. Early clarity is sought on the required commercial terms for a mutually beneficial relationship and the protection of both parties, as well as detailed due diligence around supplier practices, with revalidation processes in place to ensure continued compliance with agreed standards.

ESG-related requirements have been introduced into standard supplier agreements and suppliers are expected to have appropriate ESG-related policies and procedures in place. The due diligence process seeks assurance on a wide range of commercial and other considerations, including modern slavery, diversity, sustainability and payment of the UK National Living Wage. The Modern Slavery Act statement applicable to the Company is available on the Group website.

Analysis of the sustainability and resilience of the supply chain is undertaken to assess the suitability of suppliers, and any significant risks or issues are escalated appropriately.

Supplier relationships are managed in a way that allows both parties to feed back on the relationship and discuss innovation and development in the products and services available.

As required, the Company's payment practices are published on a half-yearly basis on the Government's online facility.

Community/environment engagement

The Company pursues the Group's Responsible Business Strategy. The Group has developed the strategy with wider sustainability objectives, in recognition of its role in society. The strategy is available on the Group website. The Company's responsible business activities are reflected in the way the Company conducts its business with the Group and with suppliers, taking care to give consideration to its impact on local communities, and its environmental footprint, and supporting delivery of the Group's wider ESG objectives.

The Group's energy and carbon report can be found in the Group report and accounts.